



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

0004

July 14, 2009

Brent Snelgrove
Moreton & Company
4600 South Ulster St., Suite 380
Denver, Colorado 80237

Subject: Return of Signed and Notarized Release of Bond # [REDACTED] McFarland and Hullinger, SIO2 Mine, M/045/0046, Tooele County, Utah

Dear Mr. Snelgrove:

On June 15, 2009 the Division received your request to sign a release with language acceptable to Travelers Casualty and Surety Company of America.

Enclosed is the signed and notarize Release document you requested. If you have any questions please call 801-538-5291 or email bondcoordinator@utah.gov. Thank you for your attention in this matter.

Sincerely,

Penny Berry
Bond Coordinator
Minerals Program

PB

P:\GROUPS\MINERALS\WP\M045-Tooele\M0450046-SIO2\Bond\ReturnSignedRelease.doc



0004

4600 South Ulster Street,
Suite 380
Denver, Colorado 80237

Since 1910



Moreton & Company

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(303) 385-2100
Fax (303) 385-2199

June 11, 2009

Mr. John R. Baza, Director
State of Utah – Department of Natural Resources
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116-5801

Subject: Authorization for Release of Reclamation Surety – McFarland and Hullinger, SIO2
(Now Stansbury Island) Mine, M/045/0046, Tooele County, Utah

Dear Mr. Baza,

I am in receipt of a copy of your letter addressed to Mr. Gray Manville dated May 11, 2009 (copy enclosed). Your letter authorizes the release of the surety, Travelers Casualty and Surety Company of America, for their obligations under bond [REDACTED] issued in behalf of McFarland and Hullinger.

We represent McFarland and Hullinger for this bond. We also represent Travelers Casualty and Surety Company of America (Traveler's), as their Power of Attorney. Traveler's has requested that we obtain a release of the reference bond by using specific wording they have provided.

Enclosed you will find the release wording they have requested. Would you please send another release, using the enclosed wording, on official letterhead, and return it to my attention? Upon receipt, I will forward to the local Traveler's underwriter for processing.

Thank you in advance for your assistance. Please feel free to contact me with any questions.

Sincerely,


Brent Snelgrove
Vice President

Encl. (2)

RECEIVED

JUN 15 2009

OFFICE OF THE ATTORNEY GENERAL



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Division Director

RELEASE

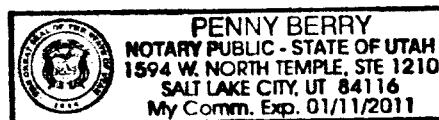
Travelers Casualty and Surety Company of America ("Travelers") issued a reclamation bond (Bond No. [REDACTED]) in the amount of \$100,000 (the "Bond") at the request of McFarland and Hullinger, L.C., S102 1-6 Mine, M0450046 as Principal, for the benefit of the State of Utah, Division of Oil, Gas ("Obligee").

Obligee hereby fully and unconditionally discharges and releases the Bond and releases Travelers, its parents, affiliates and subsidiaries from any and all past, present and future liability under said Bond. Contemporaneous with the execution of this Release, the Bond is discharged and the Obligee shall return the original Bond to Travelers and the Obligee hereby surrenders any and all rights associated with the Bond. The undersigned warrants that he or she has the authority to execute this Release on behalf of the Obligee and to bind the Obligee hereunder.

John R. Baza
Director, Division of Oil, Gas and Mining

7/13/09
Date

Subscribed and Sworn before me this 13 day of July, 2009

Notary Public

Obligee letterhead

RELEASE

Travelers Casualty and Surety Company of America issued a reclamation bond (Bond No. _____) in the amount of \$ 100,000.00 (the "Bond") at the request of the McFarland and Hullinger, L.C. as Principal, for the benefit of State of Utah, Division of Oil, Gas and Mining and the U.S. Department of the Interior, Bureau of Land Management, as obligee ("Obligee").

Obligee hereby fully and unconditionally discharges and releases the Bond and releases Travelers Casualty and Surety Company of America its parents, affiliates and subsidiaries ("Travelers") from any and all past, present and future liability under said Bond. Contemporaneous with the execution of this Release the Bond is discharged and the Obligee shall return the original Bond to Travelers and Obligee hereby surrenders any and all rights associated with the Bond. The undersigned warrants that he or she has the authority to execute this Release on behalf of the Obligee and to bind the Obligee hereunder.

Signed by officer with requisite authority to sign on Obligee's behalf



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLOR
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 11, 2009

Gary Manville
Travelers Casualty and Surety Company of America
1161 West River, Suite 150
Boise, Idaho 83701

Subject: Authorization for Release of Reclamation Surety, McFarland and Hullinger, SIO2
(Now Stansbury Island) Mine, M/045/0046, Tooele County, Utah

Dear Mr. Manville:

Travelers Casualty and Surety Company of America is presently holding a surety bond number [REDACTED] for the benefit of the State of Utah, Division of Oil, Gas and Mining, and the Bureau of Land Management as a form of reclamation surety for McFarland and Hullinger's SIO2 Quarry in Tooele County, Utah. Reclamation responsibility for this mine has now been transferred to another operator which has submitted a replacement surety and reclamation contract.

This letter authorizes the full release of the surety. The Division will return the original surety documents to McFarland and Hullinger.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,

John R. Baza
Director

JRB:pbb:pb

cc: Sid Hullinger w/original surety documents

larry_garahana@blm.gov

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